



Utah State Legislature

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November 13, 2018

Senator Jerry W. Stevenson, Senate Chair
Representative Bradley G. Last, House Chair
Executive Appropriations Committee
Utah State Legislature
Salt Lake City, UT 84114

Dear Senator Stevenson and Representative Last,

The Higher Education Appropriations Subcommittee is pleased to report our actions during the 2018 Interim. You encouraged us to meet three times (June, August, and October) and use the three meetings as follows:

- *June*: Look back at what was accomplished – and not accomplished – in the 2018 General Session, including technical corrections. Follow-up on any issues that are outstanding from General Session. List and identify items from the 2018 General Session and earlier on which LFA might report in August.

The Committee reviewed legislative actions during the 2018 General Session for both USHE and UTECH. The committee also reviewed the results of funded Strategic Workforce Initiatives funded for FY 2017 and FY 2018. As a direct follow-up to the 2018 General Session, the committee reviewed and discussed the use of tuition waivers within USHE institutions. This review included how many waivers have been issued and in what categories, impacts and possible unintended consequences of their uses and recommendations regarding the future use of these waivers.

- *August*: Discuss FY 2018 close-out and what it means going forward. Follow-up on fiscal notes and funding items from 2018 General Session and earlier. Receive reports on performance metrics for FY 2018. Identify potential base budget actions for discussion in October.

The Committee heard the Higher Education portion of the Legislative Fiscal Analyst's Fiscal Note and Building Block Follow-up report. The Committee also had a discussion with the USHE and UTECH Commissioners regarding performance measures from FY 2017. UTECH presented on several items related to the development of its student pipeline including a legislative fix for HB 437 from the 2018 General Session to ensure the scholarships reach all students pursuing high-wage, high-demand careers. The Committee then spent the remainder of the meeting discussing a number of requested reports and follow-up matters including: USHE Costs per Degree, Implementation of FY 2019 Salary Increases, Online Education options in Utah, and the current state of funding for nursing program within Utah Higher Education.

- *October:* Review base budgets as known including one-time appropriations that fall out. Adopt recommendations for current year and new year budget changes identified in June, August, or otherwise. Review new funding initiatives/requests for appropriation as available. Receive reports on performance metrics from 2018 General Session, if applicable.

The Higher Education and Infrastructure and General Government (IGG) Appropriations Subcommittees met jointly to discuss Higher Education Capital issues including approval and development of new buildings, maintenance of existing structures and space utilization. The Committee then adjourned to its regular meeting to hear the performance audit of school security procedures. Sen. Stephenson led a discussion about higher Education changes being implemented by Arizona State University. The Committee also received reports on a number of follow-up items requested by members during the 2018 General and Interim Sessions.

As mentioned above, the Committee studied or received reports on the following items:

1. USHE Tuition Waivers – The Committee discussed the reasons they were created, their growth, usage statistics and impacts on tuition and the student bodies where they are applied.
2. UTECH Student Pipeline – The Committee heard a report and discussed the efforts of the Technical Colleges to increase the student pipeline for high-wage, high-demand careers and the goals of “The Year of Technical Education” for increasing enrollment overall.
3. USHE Cost Per Degree – USHE presented on the average costs per degree and costs per student within their system and the factors that can cause costs to increase or decrease.
4. 2019 Salary Increases – Both USHE and UTECH reported on how they implemented salary increases for faculty and staff as appropriated by the Legislature during the 2018 General Session.
5. Higher Education Nursing Funding – The Committee heard and discussed the state of funding for nursing programs, pathways to nursing certifications and degrees which can include collaboration between USHE and UTECH and their joint attempts to support the state’s nursing shortage.
6. Higher Education Capital Development – The HED appropriations Subcommittee, along with IGG, met jointly to hear from the Division Of Facilities Construction Management as well as USHE and UTECH regarding the capital development, construction and maintenance processes to develop possible streamlining or collaboration between the committees in future sessions.

Sincerely,

Chairs of the Higher Education Appropriations Subcommittee.

Sen. Evan J. Vickers, Co-Chair

Rep. Derrin R. Owens, Co-Chair